



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

October 27, 2000

**S. 2300
Coal Market Competition Act of 2000**

As cleared by the Congress on October 23, 2000

CBO estimates that S. 2300 would not significantly affect federal spending. Because S. 2300 could affect direct spending (including offsetting receipts), pay-as-you-go procedures would apply. CBO expects, however, that any change in direct spending would not be significant.

S. 2300 would increase the maximum acreage of federal coal leases any single producer may hold by about 60 percent within any one state and by 50 percent nationally. According to the Bureau of Land Management, enacting S. 2300 would allow individual mining companies more flexibility to merge with other companies holding coal leases, but is unlikely to affect the overall amount of federal acreage leased for coal mining. Such mergers could affect companies' bids for coal leases, and thus could change the government's offsetting receipts (a credit against direct spending). CBO estimates, however, that enacting S. 2300 would not have any significant impact on federal receipts from coal leaseholders or subsequent payments to states that share those receipts.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.